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LOCAL 73
www.seiu73.org

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On behalf of the 28,000 members of SEIU Local 73, and the 5,000 front-line caregivers who are members of SEIU Local 73, we offer these initial comments to the 1115 waiver draft proposal.

All too often, the rationing and appropriation of health care dollars misallocates resources. Expensive tests, procedures, medicines and equipment are often prioritized over the front line health care workforce that is the eyes, the ears, the brains and most importantly, the heart, of the health care delivery system. As we review Medicaid waiver reimbursement rates should build living wages and salaries for caregivers into their base cost assumptions for health services.

Taking the high road to health care delivery will improve the quality of care and patient experience. Reducing health care worker turnover, leaving dedicated caregivers able to establish relationships with their patients and clients. Allow for caregivers to feel invested in their jobs. Higher wages begets lower turnover; caregivers have more experience at their worksites and with the patients they care for, leading to higher quality care. Illinois should avoid the pitfalls of an inexperienced and untrained workforce earning poverty wages.

Higher wages through pass-through reimbursement rate increases would reduce the number of caregivers who receive Medicaid and Food Stamps. The state pays one way or another for poverty level reimbursement rates. According to the text of the proposed SB2604 which would raise wages to \$13 by 2016 for direct service personnel working in CILAs and Intermediate Care Facilities caring for individuals with Developmental Disabilities,

“this predominately female, minority workforce is often compelled to work many overtime hours or hold down a second job to support their families; many have to fall back on public benefits such as Medicaid and food stamps, creating additional expenditures for state government; low wages are a consequence of the historically low reimbursement rates paid by the State of Illinois to community-based service providers; over the last 10 fiscal years, increases in State funding to these agencies have averaged less than 1% per year, for a total of 9.5%; by contrast, the Consumer Price Index increased 23% over the same period.”

Individuals forced out of necessity to work multiple jobs or extended overtime hours risk fatigue—making the probability of on the job injuries and patient care errors more likely. Raising reimbursement rates would not only improve the health of caregivers and their clients, but have ripple effects throughout the families and communities they live in. Population health is often associated with education and socio-economic status. Raising wages for caregivers will improve the health of their children, families and loved ones, and the communities they live in.

SEIU Local 73 urges the state of Illinois to truly invest in a high quality workforce. Caregiving can be a difficult job, and wages and benefits should reflect the values of our society—a caregiver for a child with developmentally disabilities should not have to work harder and earn less than a greeter at Wal-Mart.

Let us avoid the low-road to cost-containment in the healthcare industry. The objectives of health care reform should be about improving population health, the quality of care and reducing costs. All three aims can and will be achieved through an engaged and dedicated health care workforce paid a living wage and benefits corresponding to their intrinsic worth as caregivers for society's most important asset: our friends, neighbors and ourselves.

Sincerely,

Christine Boardman
President, SEIU Local 73